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DATED BY *Wm. H. Lee, Secy. Treas.*
ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

OF THE

Lehigh Valley Railroad Company.

TO THE

Stockholders.

JANUARY 9, 1871.

PHILADELPHIA:

A. C. BRYSON & CO., PRINTERS, 607 CHESTNUT STREET.

1871.



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OFFICERS
OF THE
LEHIGH VALLEY RAILROAD COMPANY,
JANUARY 9th, 1871.

President,
ASA PACKER.

Vice-President,
CHARLES HARTSHORNE.

Treasurer,
LLOYD CHAMBERLAIN.

Secretary,
JOHN R. FANSHAW.

General Superintendent and Chief Engineer,
ROBERT H. SAYRE.

Directors,

Charles Hartshorne,	Ashbel Welch,
William W. Longstreth,	Edward H. Trotter,
J. Gillingham Fell,	Ario Pardee,
John Taylor Johnston,	William L. Conyngham,
William H. Gatzmer,	Edward Roberts,
David Thomas,	William A. Ingham.



ANNUAL REPORT

LEHIGH VALLEY RAILROAD COMPANY.

JANUARY 9th, 1871.

THE most striking feature in the business of this Company for the year which has just closed, is the increase in our Coal Tonnage, the total amount carried, including Bituminous Coal, having reached 3,622,433 tons being an excess of 1,291,026 tons over the previous year. Of this, 276,151 tons were delivered to the Pennsylvania and New York Canal and Railroad Company, for transportation northward.

The annexed Report of the Superintendent and Engineer will give the details of this and other branches of our trade.

The increase in net receipts, although considerable, does not correspond with that of work done, as the rates obtained for transportation were lower than last season.

The Passenger and Miscellaneous Freight business continue to show a gratifying increase.

The Receipts from all sources (including Interest on Investments, and Income from Coal Lands, &c., &c.) amounted to		\$6,207,274 08
Operating Expenses of the Road,		\$3,617,407 38
Net Income; applicable to interest, Dividends, State and United State Taxes, General Office Expenses, &c., &c.,		<u>\$2,589,866 70</u>

Out of which the usual Dividends amounting to ten per cent on the Capital stock have been paid.

Payment was duly made by the Stockholders on all of the scrip outstanding at the date of the last Report and the account has been closed.

We have paid off during the year, \$127,000 of the Bonds due in 1873, and \$2,500 of those of the late Hazleton Railroad Company, due in 1872. Under the decision of the Supreme Court of the United States, the interest on these Bonds is due in gold, and it has therefore been so paid.

The Board advised the Stockholders at their last Annual Meeting that the further advances necessary to be made to the Pennsylvania and New York Canal and Railroad Company and the additional equipment contracted for and needed for our own Road, would require a large increase of Capital. To meet these wants, and to provide for future contingencies, the Board directed the execution of another Mortgage (to become a second Mortgage as soon as the outstanding old Bonds can be redeemed) amounting to Six Million Dollars, (\$6,000,000,) to secure Six Thousand Bonds of One Thousand Dollars each to be registered and bear seven per cent. Interest free of State and United States Taxes.

Of these, One Million Five Hundred and Fifty Thousand Dollars (\$1,550,000,) have been negotiated on very favorable terms, and the remainder will be issued as required.

We have yet unissued of the Five Million Dollars Mortgage \$462,000 beyond the amount of Old Lehigh Valley Bonds and those of the Hazleton Coal Company outstanding.

At the end of our fiscal year, (November 30th,) our capital account was as follows :

Preferred and Common Stock, 363,188 shares, . . .	\$18,159,400 00
Old Lehigh Valley Bonds outstanding, , . . .	963,000 00
Hazleton Coal Company's Bonds outstanding, . . .	132,000 00
New Lehigh Valley 6 per Cents, Coupon and Regist'd . . .	3,443,000 00
New Lehigh Valley 7 per Cents, Registered, . . .	1,050,000 00
Floating Debt, less Cash on hand	414,417 16
Total,	<u>\$24,161,817 16</u>

Since that date we have cancelled \$2,000 of the old bonds and \$500 of the Hazleton bonds.

Great inconvenience having been experienced from our accounts being kept at several detached points, this, in a great degree, arising from the fact that we had absorbed several Companies, each having its own established plan, it was determined early in the year to re-arrange our system and concentrate the accounts in this city. The practical result has been entirely satisfactory, but the increased amount of work requires more room than is afforded by our present building and we have therefore purchased for the Company the premises owned and occupied by the Pennsylvania Railroad Company, No. 238 South Third Street, possession of which is to be given on the completion of their new office now building on Fourth Street. This purchase will furnish us all the space requisite for any prospective increase of our business, and the building being fire-proof we shall have a protection for our records, of which we have long felt the need.

Our anticipations with regard to the business to be done over the line of the Pennsylvania and New York Canal and Railroad Company have been more than realized. Considered only as an investment and without regard to the large trade furnished by it to our whole line from Wilkesbarre, it has earned the first year after its opening through, enough beyond the expenses of operation to pay the interest on its Bonds and also upon a considerable portion of the additional Capital advanced by us for its completion.

Arrangements have recently been made by which trains now run through to Elmira over the Erie Railway from Waverly, and also to Auburn, N. Y., over the Southern Central Railroad of New York. This latter Road will next season be extended to Lake Ontario at Fair Haven on Little Sodus Bay. These connections, opening to our trade all points on both the Erie and the New York Central Railroads, are of great importance, and we look for a large increase to our traffic arising therefrom. As we have continued to furnish a great proportion of the Motive Power

and Rolling Stock for this line, and as our own tonnage has increased so rapidly, we have required corresponding expenditures for new equipment.

As a further protection to our coal trade we have, through the purchase of stock in other Companies, secured the absolute ownership of about Nine Thousand Acres of Land, and a half interest in about Four Thousand Acres, in addition to those properties heretofore obtained. The report of the Superintendent and Engineer will show what steps have been taken towards the development of some of these tracts.

It is with great regret that we have to report the loss, by death, of two valuable officers during the past year.

Our Treasurer, MR. CHARLES C. LONGSTRETH, after an illness of several months, died on April 28th, last.

By direction of the Board, MR. LLOYD CHAMBERLAIN resumed the duties of the office, and MR. JOHN R. FANSHAW was elected Secretary.

On December 7th, MR. JOHN P. COX, General Superintendent of the Pennsylvania and New York Canal and Railroad Company, died suddenly while engaged in the active discharge of his duties. MR. COX, although not at the time directly employed by this Company, had been for many years in its service in different positions of responsibility, and upon our obtaining control of the Pennsylvania and New York Canal and Railroad Company, he was placed by us in charge of that line, and had proved himself in every way well fitted for the post. No appointment of a successor has yet been made.

By order of the Board,

ASA PACKER,

President.

OFFICE OF THE SUPT. AND ENG'R L. V. R. R. Co.,
BETHLEHEM, PA., Nov. 30th, 1870.

HON. ASA PACKER,

President L. V. R. R. Co.

DEAR SIR:—The following Report of the business of the Lehigh Valley Railroad for the fiscal year, ending November 30th 1870, is respectfully submitted.

The total amount of Anthracite coal transported over the main line and branches was 3,608,586¹/₁₀₀ tons.

This was derived from the following sources:

FROM	1869	1870	Increase and Decrease.
Wyoming Region,	450,355	588,596	138,241
Hazleton Region,	913,623	2,007,027	1,093,404
Upper Lehigh Region,	8,581	12,002	3,421
Beaver Meadow Region,	504,796	703,634	198,838
Mahanoy Region,	431,988	295,164	*136,824
Mauch Chunk Region,	827	2,164	1,337
Total,	2,310,170	3,608,587	1,298,417

The decrease in the amount of coal received from the Mahanoy Region, was in consequence of the suspension of the mines in Schuylkill county.

This coal was delivered as follows:

WHERE DELIVERED.	1869	1870	Increase and Decrease.
At Mauch Chunk,	965	1,651	686
On line of road above Mauch Chunk,	8,623	11,338	2,715
At and above Mauch Chunk for use of Co.	44,051	51,734	7,683
At L. & B. Junction for Pa. & N. Y. R. R.	7,398	276,151	268,753
At Mt. Carmel to N. C. R. W.,	2,517	3,424	907
At Penn Haven to L. & S. R. R. for canal,	121,315	300,767	179,452
“ “ “ “ for rail,	4,562		*4,562
At Packerton, “ “ “ “	4,440	8,386	3,946
At Mauch Chunk for canal,	101,003	145,115	44,112
On line of road below Mauch Chunk,	580,093	662,136	82,043
“ “ “ “ for use of Co.,	35,736	41,150	5,414
To East Penna. R. R.,	10,219	61,307	51,088
To North Penna. R. R.,	191,891	331,725	139,834
To Port Del. for Morris canal,	127,436	197,769	70,333
To Bel. Del. R. R.,	328,905	567,881	238,976
To Central R. R. of N. J.,	530,664	744,081	213,417
To Morris & Essex R. R.,	210,352	203,972	*6,380
Total by canal,	222,318	445,882	223,564
Total by rail,	2,087,852	3,162,705	1,074,853
Grand Total,	2,310,170	3,608,587	1,298,417

* Decrease.

The amount of coal delivered to the Lehigh Coal & Navigation Company, for transportation over their works, was 454,268 tons, being an increase of 227,510 tons over last year. We delivered to the East Pennsylvania Railroad, 61,307 tons, which was very much in excess of any previous year, and was due to the protracted strike in the Schuylkill region, making it necessary to partially supply the furnaces in the Schuylkill Valley with Lehigh Coal.

TONS CARRIED ONE MILE.

	1869	1870	Increase and Decrease.
Above Mauch Chunk—			
From Wyoming Region, . . .	23,779,829	17,247,035	* 6,532,794
“ Hazelton “ . . .	20,137,327	44,427,907	24,290,580
“ Beaver Meadow, . . .	11,552,831	16,006,762	4,453,931
“ Mahanoy, . . .	15,406,579	10,402,737	* 5,003,842
Total above Mauch Chunk,	70,876,566	88,084,441	17,207,875
Total below Mauch Chunk,	79,933,743	112,996,854	33,063,111
Grand Total, . . .	150,810,309	201,081,295	50,270,986

During the same period there were transported $847,096\frac{1}{2}$ passengers, equal to 13,207,248 carried one mile, being an increase over the previous year of $83,904\frac{1}{2}$, equal to 744,299 carried one mile. Miscellaneous freight transported amounted to 1,379,611 $\frac{31}{100}$ tons, equal to 39,606,988 $\frac{20}{100}$ tons one mile, being an increase over the previous year of 103,155 $\frac{93}{100}$ tons, equal to 3,803,205 $\frac{27}{100}$ tons one mile.

Compared with last year, the receipts from coal show an increase of \$932,474.72 or 26 $\frac{16}{100}$ per cent.; from freight, an increase of \$48,099.27 or 5 $\frac{24}{100}$ per cent.; from passengers, an increase of \$32,532.43 or 7 $\frac{34}{100}$ per cent.

The anthracite coal tonnage of our road for the past year has been heavier than ever before, and exceeded that of any other road in the country. The rates of transportation averaged $\frac{1}{8}$ -ct. per ton per mile less than last year. The business has been more

* Decrease.

regular than in any previous year, owing in a great measure to the system adopted last spring of fixing the rates of transportation monthly, based upon the price of coal at tide-water.

In miscellaneous freight there was an increased tonnage of 103,156 tons, while the increase in receipts was but \$48,099.27.

This was due to the lower rates of charges obtained. Could the rates of 1869 on Lumber, Live Stock and Empire Line freight, have been maintained, it would have added \$72,395.00 to the reported increase.

The following is a statement of the receipts from transportation, and the ordinary running expenses :

	Gross Receipts.	Expenses.	Net Receipts.
Coal,	\$4,497,296.93	\$2,668,056.15	\$1,829,240.78
Freight,	965,310.03	622,163.37	343,146.66
Pass., Express and Mail, .	475,560.52	327,187.86	148,372.66
Total,	\$5,938,167.48	\$3,617,407.38	\$2,320,760.10

There were charged to expenses the following items :

Iron and Steel Rails,	\$375,647 37
Chairs, Spikes, Switches and Frogs,	18,696 74
Additional Tracks at Easton,	10,840 00
Mauch Chunk Bridge,	5,756 14
Packerton Shop,	15,376 04
New Rail Joints,	14,366 96
Branch Railroad to Primrose Colliery,	9,044 42
Mauch Chunk Depot,	12,922 18
Coplay and Shenandoah Depots,	4,799 17
Water Tanks and Reservoirs,	11,484 56
South Easton, Hazelton and Delano Shops,	7,456 41
Telegraph,	16,104 23
Locomotives, on account of Depreciation,	196,175 96
Coal and other Cars, " " "	399,951 45

There was charged to construction as follows :

Branch Railroad to Slatedale,	\$19,278 89
Robinson's Branch,	19,330 00
Black Creek Extension,	2,420 29
Second Track on Wyoming Division,	11,869 90
“ “ Mahanoy “	7,852 00
	<hr/>
	\$60,751 08

There are now in use, including all divisions of the road, 86.55 miles of double track, and 134.31 miles of single track ; in addition to which, there are 11.26 miles of double track laid, but used as sidings, and 101.80 miles of sidings : making the total length of track laid, 420.47 miles.

The branch road, 3.30 miles in length, from Slatington to Slatedale, has been completed and is in operation, furnishing facilities which have long been needed, for the transportation of slate from the quarries upon its line, and relieving the overcrowded condition of Slatington Station, from which we were obliged to move this trade in a manner very unsatisfactory both to ourselves and the shippers. The receipts of this branch for transportation during this year, have been \$4,524 08. New branch roads have been graded and laid to three new collieries on Mahanoy Division, viz :

To Primrose Colliery,	length, 2.31 miles.
“ J. O. Robinson's Colliery, “	0.40 miles.
“ Montana Colliery, “	4.72 miles.

The Cranberry Railroad, connecting with our road at Hazleton, consisting of main track 1.99 miles, sidings 0.73 miles, total 2.72 miles, has been purchased.

In addition to the above, there has been an increase in the length of sidings at various points, and of second track laid and used as sidings of 9.09 miles, making total increase in length of all tracks of 22.54 miles over last year's report.

There are also on the main line and all branches, 9.49 miles of grading completed and ready for the track, as follows:

Eastern Division, . . .	0.60
Wyoming Division, . . .	7.69
Beaver Meadow Division, . . .	0.82
Mahanoy Division, . . .	0.38
Total, . . .	9.49

The following materials were used for repairs and construction:

REPAIRS.	Steel Rails.	Switch Frames	Frogs.	Cross-Ties.	Iron Rails	Chairs and Splices.	Kegs of Spikes.
Eastern Division, . . .	4,476	10	55	47,923	—	2,437	135
Wyoming " . . .	407	17	27	18,951	1,400	3,606	36
Hazleton " . . .	—	20	31	20,046	1,198	292	57
Beaver Meadow Division	—	—	16	22,677	3,494	2,717	148
Mahanoy Division, . . .	—	—	22	24,343	350	174	158
Total, . . .	4,883	47	151	133,940	6,442	9,226	534

CONSTRUCTION.

Eastern Division, . . .	—	22	22	15,019	2,503	2,503	250
Wyoming " . . .	—	5	3	6,780	1,130	1,130	113
Hazleton " . . .	—	3	10	528	88	88	9
Beaver Meadow Division	—	5	7	2,088	348	348	35
Mahanoy.	—	18	20	18,932	3,154	3,154	315
Total, . . .	—	53	62	43,347	7,223	7,223	722
Grand Total,	4,883	100	213	177,287	13,665	16,449	1256

The timber trestle work at Easton required rebuilding, and it was determined to use iron and stone in its reconstruction. The masonry foundations are all in, and the cast-iron columns for three tracks are in place, ready to receive the wrought-iron trusses which are being constructed by the Bethlehem Iron Co. The whole will be completed during the coming winter, giving a permanent track in place of the perishable structure now there.

A stone wall is in progress between Catasauqua and Biery's Bridge, which, it is hoped, will effectually protect our road at that exposed point, from danger by high water.

The new arched bridge over the Mahoning creek, near Lehigh-ton, which was badly injured by the flood in the Lehigh, on October 4th, 1869, has been rebuilt with four spans, and the embankment across it, intended for a change of location, is now nearly completed.

A substantial bridge has been built across the Lehigh at Mauch Chunk, connecting our depot with the town.

About 800 feet of the trestle work above White Haven has been filled during the year, and a good force is now at work filling the remainder, which work we hope to complete early in 1871.

During this year, we have completed the work at Switch Back, on Mahanoy Branch, and have now an arched culvert and a permanent double track embankment, in place of the wooden truss bridge which had been in use there since the opening of the road.

Three of the truss bridges (6 spans in all,) on Beaver Meadow Division, above Penn Haven, have been renewed, and all bridges have been kept in good repair.

TELEGRAPH.—The telegraph line in use upon our road, is as follows :

Easton to Wilkes-Barre,	101.0 miles.
Packerton to Hazleton and Mt. Carmel, including loops,	83.5 “
Line at Easton connecting several depots,	2.0 “
Wire from Bethlehem to Philadelphia,	55.0 “
With 36 offices and 45 sets of instruments.	

RAILS.

Our experience during the year with steel rails, has been satisfactory. Those laid in 1864, on the Beaver Meadow Division look as well as they did a year since, with the exception of three rails, which show signs of wearing out.

We have relaid track during the year with steel rails as follows :—

On Eastern Division,	11.65 miles.
“ Wyoming “	1.14 “
“ Beaver Meadow Division, . .	1.14 “
Total,	<u>13.93</u> “

We have now steel track in use as follows :

On Eastern Division,	26.69 miles.
“ Wyoming “	1.29 “
“ Beaver Meadow Division, . .	4.33 “
Total,	<u>32.31</u> “

We laid in 1869, 1530 tons of best English iron rails, guaranteed to last from 5 to 7 years. They have not proved satisfactory, but have demonstrated that nothing short of all steel, or steel-headed rails will prove economical under the present heavy and rapidly increasing traffic of our road. Some idea may be formed of the relative value of iron and steel rails from our experience at Packerton Scales.

The first iron rails laid upon the scale, lasted 1 year 23 days, and passed a tonnage of $2,263,675\frac{8}{100}$ tons. The second set of iron rails were in use 7 months, 19 days, and passed a tonnage of $1,524,870\frac{3}{100}$ tons. Steel rails were laid May 28th, 1869, have now been down $1\frac{1}{2}$ years, have passed $5,509,381\frac{2}{100}$ tons, and show no perceptible wear at this time.

The manufacture of these rails in the United States, is now an assured fact, and we should, as far as possible, encourage this new branch of industry. They are now made successfully at Troy, Harrisburg and Cleveland. We have laid 250 tons of the Pennsylvania Steel Co.'s rails, and contracted for 1000 tons for next year's use. The Cambria Iron Co. are erecting large works at Johnstown, for the purpose of making steel rails, and the Bethlehem Iron Co. are turning their attention in the same

direction. The latter Company have in course of erection, in addition to their present works, a mill building which will cover about $3\frac{1}{2}$ acres of ground, in which it is proposed to roll steel and iron in the various forms needed for rail roads, bridges and buildings. Our interest as transporters is so closely allied to the manufacture of iron and steel, as to justify us in giving it attention. We have transported during the year past, in this connection 571,553 tons of coal, 347,500 tons of ore, 47,250 tons of limestone, 222,550 tons of pig iron, and 34,845 tons of rails,—in the aggregate, 1,223,698 tons.

EQUIPMENT.

Our equipment has been increased during the year as follows :

ENGINES.

Purchased,	16
Built by L. V. R. R. Co.,	7
	<hr/>
	23
Less put out of service,	1
	<hr/>
	22

PASSENGER CARS.

Purchased from Harlan & Hollingsworth,	2
“ “ Wason Manufacturing Co.,	4
	<hr/>
	6

BAGGAGE AND EXPRESS CARS.

Built by L. V. R. R. Co.,	3
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HOUSE CARS.

Built by L. V. R. R. Co.,	1
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EIGHT-WHEEL PLATFORM CARS.

Purchased from Howard & Co.,	10
“ “ Frederick & Co.,	50
Built by L. V. R. R. Co.,	57
	<hr/>
	117

GRAVEL CARS.

Built by L. V. R. R. Co.,	23
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LIME CARS.

Numbered in 1870,	10
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COAL CARS AS FOUR-WHEEL CARS.

Built by L. V. R. R. Co.,	3
Purchased in 1870,	1,800
Vacant numbers from last year rebuilt,	152
	<hr/>
	1,955
Less numbers permanently vacant,	130
	<hr/>
	1,825

Our equipment is now as follows :

Engines of all classes,	158
Passenger Cars,	36
Baggage and Express Cars,	16
House Cars,	9
Eight-wheel Platform Cars,	485
Six-wheel Platform Cars,	51
Four-wheel Platform Cars,	12
Wreck and Tool Cars,	7
Gravel Cars,	44
Lime Cars,	30
Coal Cars, (rated as 4 wheel),	12,729

The number of Engines given above, includes several which are not relied on for general service.

We have completed during the year, at our own shops, two freight and four passenger engines, and the "Cricket," an engine and car combined, for the officers of the road. We have now in process of construction, one freight and three passenger engines.

We have also purchased during the year, from M. Baird & Co., six, and from Wm. Mason, ten freight engines—all heavy ten-wheel engines.

BUILDINGS.

The following buildings, commenced last year, have been completed :

The new passenger and freight depot with dwelling, at Jeanesville, and the new foundry building of stone, at Hazleton Shop.

The following new structures have been erected :

An addition to the oil house at South Easton shop.

An addition to the offices at Bethlehem.

An addition to the smith shop at Packerton.

A sand house at Packerton.

A freight and passenger depot at Mauch Chunk.

A dwelling house for track foreman at Bear Creek.

A frame engine house for 4 engines, at Wilkes-Barre.

Small depots at Foundryville and Jeddo.

A boiler-shop at Weatherly.

A dwelling house for switch-tender at Black Creek.

The following buildings have been commenced, and are now in progress :

A depot and dwelling at Coplay, and a depot at Shenandoah.

The carpenter shop at Bridgeport has been removed to Sugar Notch, where it was more needed.

WATER STATIONS.

The following new water stations have been built :

At Catasauqua, a new tank on up track, connected to the pipes of C. & F. R. R. Co.

At Laury's, a dam and reservoir, and two large tanks.

At Nescopee siding, a dam and reservoir and tank.

At Lueder's Run, a dam and large reservoir.

The acquisition of the stock of the Luzerne Coal and Iron Co., by which we come in possession of seven hundred acres of valuable coal lands at West Pittston, with the leasing and purchasing of a large quantity of other lands, in all, about 3000 acres, to be worked under the charter of the above-named Company, made it necessary to secure the services of a skilful, practical man, who should have charge of the development and working of the lands, FRED. MERCUR, Esq., for some years past Prin. Asst. Engineer of our Company, and at one time Supt. of the Spring Mountain Coal Co., was selected, as being in every way fitted for the duty. He was thereupon appointed Superintendent of mines.

Mr. MERCUR reports as follows :

“Ground was broken at Pleasant Valley, the first of August and at the close of the fiscal year, we had driven No. 1 drift or tunnel 542 feet, of which 440 feet is in coal. At No. 2, we have progressed 196 feet, and have yet about 175 feet to drive before reaching coal. At No. 3 we have driven 235 feet, of which, 100 feet is in coal, which in both tunnels is looking very well. The breaker foundations are completed, the greater part of the timber is framed, and the work of raising has begun. We shall probably be able to ship coal from this colliery about the first of April, 1871.

“Prospect shaft was located on the 19th of August, and ground broken on the 22d. Rock was reached at a depth of 25 feet from the surface, and we have now reached a total depth of 70 feet. I hope to reach the Baltimore vein at a probable depth of 400 feet by the first of January, 1872.

“In September, I took possession at West Pittston, and since that time have been driving an inside slope, with the view of reaching the proper point for the second shaft. We have also, to get the mines into proper shape, driven a single heading westerly, and started one to the east. I have also put in a sub-

stantial pump foundation, the old one having shaken to pieces. At all points in this mine, the coal is of superior quality."

The coal territory of the Wyoming field is fast being absorbed by the Northern Companies. In a few years there will be no individual operators at work. This makes it necessary to secure by purchase, or long leases, sufficient coal lands to supply both the Lehigh Valley, and Pennsylvania and N. Y. C. & R. R. Cos. with tonnage in future.

The amount of coal offered for transportation by our road from Wyoming Valley during the past year, was not such as to justify any increase of expenditure to provide additional facilities, hence nothing has been done in that direction, except to make the necessary surveys and locations of the lines spoken of in last report.

BLACK CREEK EXTENSION.—A small force was put on this work in the summer, and there is now about $\frac{1}{2}$ mile graded. The approaching completion of the Danville, Hazleton and Wilkes-Barre R. R., would seem to make it desirable to push the work through to a connection with that road, the track of which is within four miles of Robert's Run, where it will enter the Black Creek coal basin. The grading of the Danville, Hazleton, & Wilkes-Barre R. R. is completed for about 3 miles east of Robert's Run, where we propose to connect our road with it. At Robert's Run, the West Buck Mountain Coal Co., Rothermel & Co., lessees, have their breaker completed, and will be ready to ship coal the moment the track reaches them.

My thanks are due to the Assistant General Superintendent, Division Superintendents, and the heads of the various departments for their zeal and faithfulness in the discharge of the duties devolving upon them.

Very respectfully, yours,

ROBT. H. SAYRE,
Superintendent and Engineer.

TABULAR STATEMENT OF THE TONNAGE, RECEIPTS, AND OTHER DETAILS OF THE BUSINESS OF THE LEHIGH VALLEY
RAIL ROAD, FROM ITS OPENING TO THE PRESENT TIME.—NOVEMBER 30th, 1870.

YEAR.	COAL TONNAGE EAST OF MARSH CREEK.	RECEIPTS, COAL.	RECEIPTS, FREIGHT.	RECEIPTS, PASSENGER.	TOTAL RECEIPTS.	PAY ROLLS.	LOCOS.	COAL CARS.	Miles of MAIN ROAD.
1855	8,482.16	\$ 3,560 89	\$ 684 37	\$ 13,036 37	\$ 17,281 63	—	4	—	46
1856	165,740.00	154,286 73	20,930 58	67,295 30	242,512 61	41,233 30	10	—	46
1857	418,935.03	337,074 62	29,280 96	74,831 88	441,187 46	89,259 26	15	1,114	46
1858	471,029.10	338,800 05	42,178 38	61,066 92	442,045 35	77,223 82	15	1,117	46
1859	577,651.10	391,766 81	65,937 97	68,161 70	525,866 48	99,649 53	19	1,317	46
1860	730,641.17	514,530 40	86,840 40	78,537 79	679,908 59	143,463 49	21	1,473	46
1861	743,671.18	499,877 92	97,495 45	82,117 93	679,491 30	135,710 99	21	1,539	46
1862	882,573.14	630,925 53	135,959 36	89,470 24	866,355 13	181,662 74	28	1,797	46
1863	1,195,154.18	1,075,545 65	176,080 61	118,449 54	1,370,075 80	320,389 41	29	2,280	46
1864	1,295,410.02	1,900,595 40	284,379 39	213,934 96	2,398,909 75	606,889 08	53	5,099	87
1865	1,402,276.16	2,513,701 08	411,452 65	304,384 62	3,229,538 35	854,483 90	58	5,199	87
1866	1,730,474.12	2,780,262 75	586,605 27	344,706 71	3,711,574 73	1,100,676 34	86	6,441	127
1867	1,948,385.05	2,535,689 25	700,362 53	405,084 28	3,641,136 05	1,140,996 04	90	6,980	158
1868	2,225,630.02	3,108,296 49	774,466 35	387,886 86	4,270,649 70	1,270,647 03	117	9,084	189
1869	2,015,296.11	3,564,822 21	917,210 76	443,028 09	4,925,061 06	1,491,714 07	136	10,904	189
1870	2,810,015.06	4,497,296 93	965,310 03	475,560 52	5,938,167 48	1,767,924 47	158	12,729	194
Totals,	18,620,672.60	\$24,847,032 73	\$5,295,175 06	\$3,227,553 71	\$33,369,761 50	\$9,321,923 47			

OFFICERS
OF THE
PENNSYLVANIA & NEW YORK CANAL AND RAIL ROAD CO.

President,

ROBERT H. SAYRE.

Secretary and Treasurer,

CHARLES HARTSHORNE.

Directors,

Chas. F. Welles,

Asa Packer,

Wm. W. Longstreth,

Chas: Hartshorne,

Robert A. Packer,

Victor E. Piollet,

Garrett B. Linderman,

J. Henry Swoyer,

John J. Taylor,

Robert Lockhart,

Jno. W. Hollenback,

Wm. H. Sayre, Jr.

REPORT.

To the Stockholders of

The Pennsylvania and New York

Canal and Railroad Company:

IN presenting the first Annual Report we have very satisfactory results to lay before you. The road was opened its entire length in September, 1869, but from its incomplete condition and the inconveniences incident to a new enterprise, with markets to seek for coal, &c., the business was at first limited. During the past year extensive improvements and additions have been made to develop the business, and the results cannot but be gratifying.

There has been added the past year 9.59 miles of second track and sidings, and the grading done for about four miles additional. The total amount of track now laid is 128.41 miles.

The grading for the connection with the Southern Central Railroad is nearly completed, and Pleasant Valley Branch, about four miles long, running from Campbell's Ledge to coal lands of J. H. SWOYER, the Lehigh Valley Railroad Company and others, has been put under contract to be completed during the coming winter.

The road is provided with a good telegraph line, with water stations, depots, transfer pockets, engine houses, &c., ample for a large increase of business next year, an increase which may be looked for with a tolerable degree of certainty from the various connections, made and to be made, affording outlets for our coal and bringing return freights for Eastern and Southern markets and for the large and rapidly increasing local demand. Our freight and passenger trains now run to and from Elmira over the third rail laid by the Erie Railway Company.

The following statement of the earnings and expenses of the Rail Road and Canal, for the years 1869 and 1870, (month of November, 1870, estimated,) will show how rapidly the business has developed.

EARNINGS FROM	*1869		1870	
	Railroad	Canal.	Railroad	Canal
Coal—Anthracite, . .	\$65,153 95	} 91,915 73	\$524,676 53	} \$23,420 26
“ Bituminous, . .	41,018 46		63,061 55	
Freight,	79,600 35		200,510 27	
Pass., Mail & Express			135,426 96	
Miscellaneous, . . .			2,590 29	
Total Earnings, . . .	\$185,772 76	\$91,915 73	\$926,265 60	\$23,420 26
Expenses,	117,633 16	72,601 48	581,810 18	55,961 23
Nett Earnings, . . .	\$68,139 60	\$19,314 25	\$344,455 42	†\$32,540 97
Total Nett Earnings,	\$87,453 85		\$311,914 45	

The above shows the receipts of the Rail Road the first year after its completion to have been \$8,673.24 per mile. The receipts of the Lehigh Valley Rail Road the first year, (1856,) were \$5,272.01 per mile.

The total receipts from the Canal for the year, are only about two-fifths of the expenses of operating and repairs. The latter have been heavy on account of damage from freshets,—but the improvement is of very little value to either your stockholders or the public.

The following statement shows the Coal Tonnage of the Rail Road and Canal, for the years 1869 and 1870.

	1869.		1870.	
	Anthracite.	Bituminous.	Anthracite.	Bituminous.
Rail Road,	7,398	164,689	276,151 ⁵⁵ ₁₀₀	238,204 ⁶³ ₁₀₀
Canal—North, . . .	78,187	399	19,585	65
Canal—South, . . .	199,024	591	176,190	130
Total,	284,609	165,679	471,926 ⁵⁵ ₁₀₀	238,399 ⁶³ ₁₀₀
Grand Total, . . .	450,288 tons.		710,326 ¹⁸ ₁₀₀ tons.	

The bituminous coal is received at Towanda and transported to Waverly by the Towanda and Fall Creek Coal Companies, we

*Road unfinished. †loss.

receiving trackage only. The anthracite coal transported south by Canal is principally from the vicinity of Wilkes-Barre, and pays a very small amount in tolls.

RAIL ROAD.

The track and bridges have been kept in excellent condition, and no accident has occurred from defects in either.

Considerable work has been required to raise and strengthen the banks at exposed positions. A force has been constantly employed for that purpose, and will be continued until all reasonable apprehension of danger from freshets is removed.

BRIDGES.

A swing bridge has been built across the canal at Fall's Station. This was necessary to carry the siding to a point that would enable us to receive and deliver freight. A substantial truss bridge—one span of 165 feet—was erected across Shephard's Creek, on the Southern Central connection; also 1420 feet lineal of pile trestling.

BUILDINGS.

The Passenger Depot and Superintendent's Office at Towanda, and the Passenger and Freight Depot at Athens were completed early in the year. The latter is a fine brick structure and was built in part through the liberality of the citizens of that town.

The depots at Mehoopany and Skinner's Eddy have also been completed, and Meshoppen depot enlarged.

A new passenger and freight depot, 16 by 60 feet, has been built at Ulster, and another of the same size at Standing Stone.

A freight house has been built at Elmira 24 by 100 feet, one covered transfer platform at Waverley 12 by 320 feet. This

platform, and the additions to the coal pockets at Waverly, were built at the joint expense of our Company, and the Erie Railway Company. There have also been built at Waverly, cattle yards, for feeding, watering and transferring live stock, a considerable amount of which has passed over our road.

There have also been built :

One new locomotive house at Elmira,	32 by 128 feet.
“ “ “ Waverly,	32 by 128 feet.
“ “ “ Meshoppen,	16 by 60 feet.
“ “ “ Pittston,	32 by 128 feet.

and another, 32 by 198 feet, is in course of construction at our yard above Lackawanna Junction.

There have been built at Waverly Junction :

One oil and supply house,	16 by 44 feet.
One car repair shop	22 by 72 “
One coal and telegraph office,	12 by 32 “
One blacksmith's shop,	24 by 30 “
One machine shop and pump house,	24 by 40 “

the latter contains a steam pump, drill press, lathe, bolt-cutter and other tools requisite for light repairs to locomotives.

Five dwelling houses have been built for trackmen at various points on the line.

Also a coal and telegraph office at Lackawanna Junction, 16 by 28 feet.

All of the buildings spoken of are frame buildings, except the depot at Athens.

Water tanks have been built at each of the following points, viz : Waverly Junction, near Wysauking, Frenchtown, Browntown and La Grange.

The facilities for transferring both Anthracite and Bituminous coal at Waverly have been largely increased, and now have an aggregate capacity of 2500 tons per day. This, with the narrow

gnage connections for a distribution of a portion of the tonnage will probably be sufficient for the business of the ensuing year.

There has been charged to construction during the year as follows, viz :

Main track and new sidings, including iron,	.	.	\$126,120.90
Raising and strengthening banks, slope walls, &c.,	.	.	34,418.38
Railroad ties, fencing and bridging,	.	.	40,078.27
Depots,	.	.	19,068.16
Shop grounds at Wilkes-Barre,	.	.	22,481.92
Right of way,	.	.	14,004.36
Connection with Southern Central Railroad,	.	.	15,153.07
Pleasant Valley Branch,	.	.	2,240.53
Engineering, Superintendence,	}	.	35,015.11
Engine houses, water tanks, damages, &c., &c.,			
			<hr/> \$208,580.70

The motive power for the road has been furnished almost entirely by the Lehigh Valley Railroad Company, for which a rental has been paid and is charged in the expenses of operating the road.

Our *Rolling Stock* at present date consists of :

- 2 Locomotives,
- 2 Passenger cars,
- 117 Flat and gondola cars,
- 111 Box cars,
- 50 Stock cars,
- 500 4-wheeled 6-ton coal cars,
- 31 Gravel cars,
- 6 4-wheeled Caboose cars,
- 1 8-wheeled derrick car,

Several hand-cars and small trucks, necessary for repairs of road.

The Buffalo Creek Railroad, of which our Company own a controlling interest, was completed in June from the Erie Railway to the Lake, and has proved of great value in the transfer of coal, notwithstanding the limited amount of trestling and dumping ground prepared. We have now purchased a half interest in about eleven hundred (1,100,) feet fronting on Buffalo Creek, upon which will be provided ample facilities for the transfer of a large amount of coal and other freights from rail to water and vice versa. The road should be extended to a connection with the New York Central Railroad, as originally designed.

The opening of the *Southern Central Railroad*, early in January, between our road and Auburn, will add new territory to be supplied with coal. Its further extension, in the spring to Weedsport on the Erie Canal, and during the summer to Lake Ontario, will open to us Canada and the Lake ports for coal, and give us as return freights, lumber, grain and iron ore. [See supplementary report.]

The *Ithaca and Athens Railroad* will be ready for the rails in January, and we understand the iron has all been purchased and contract made for laying the track. A short branch will have to be built, connecting our road with the Ithaca and Athens road at the state line.

Sullivan and Erie Railroad.—But little was done during the first half of the year toward the completion of this line. Early in the fall a lease was effected of their coal lands to a Lehigh coal firm of skill and enterprise and the work of finishing the road was undertaken with energy. Miner's houses are being erected, mines opened, and every preparation made to ship a large quantity of coal next year.

The Schrader Mining and Manufacturing Company owning a large and valuable body of coal lands, propose developing their

property next year, The coal from this property, as well as from the Sullivan and Erie lands, will come upon our road at Towanda.

Our relations with connecting roads have been harmonious and pleasant, and we trust will continue so.

The officers of the road have been faithful and energetic, and by their efforts have added to the prosperity of our improvement.

By order of the Board,

ROBT. H. SAYRE,

President.

SUPPLEMENTARY.

BETHLEHEM, January 3d, 1871.

We announce with regret the death of JOHN P. COX, Esq., General Superintendent of the road. He died suddenly on the 7th of December, while upon duty looking to the interests of the Company. Mr. Cox was connected with the road from its organization, and devoted his best energies to its economical construction and management. No officer could have been more faithful or devoted to his trust, and his loss is a calamity both to the community and to the Company of which he was so tried and true a servant.

By telegram just received from Auburn, we learn that Assistant Superintendent DESMOND with Locomotive No. 142 and sixty-two loaded coal cars, arrived at that place at 3 P. M. to-day.

ROBT. H. SAYRE,

President.

RECEIPTS FROM PASSENGER TRANSPORTATION FOR YEAR
ENDING NOVEMBER 30TH, 1870.

FROM.	No. of Pass'rs	Amount.
Waverly Station,	17,287	\$ 12,309 83
Athens "	8,919½	2,317 53
Ulster "	5,806½	1,811 38
Towanda "	26,879	18,247 34
Wysauking "	1,892½	1,282 98
Wyalusing "	6,633	3,866 87
Laceyville "	4,605½	2,056 81
Skinner's Eddy Station,	2,798½	1,428 94
Meshoppen "	8,330½	3,971 63
Mehoopany "	4,799½	1,894 77
Tunkhannock "	14,982½	7,800 05
Falls "	2,320	902 20
Lehigh Valley R. R.,	13,837½	14,165 26
North Pennsylvania, R. R.,	605	1,094 00
Central R. R. of New Jersey,	487	756 78
Del. Lacka. & Western R. R.,	5	9 72
Philadelphia & Reading R. R.,	2	4 52
Phila. Wil. & Balto. R. R.,	31	61 38
Erie Railway,	3,004	5,134 37
Conductors' receipts,	38,326½	22,060 97
Mileage tickets,		14,311 17
Excursion tickets,	1,740	2,327 77
Transportation of milk,		233 29
Extra baggage,		111 75
Express,		4,915 73
U. S. Mail,		5,950 52
L. V. R. R. Co. for transp't'n of passengers, between Wilkes-Barre & L. & B. Junction,		6,400 00
Totals,	163,292	\$135,426 96

FREIGHT TRANSPORTATION FOR YEAR ENDING NOV. 30TH, 1870.

DESCRIPTION.	Tons.	Amount.
Lumber,	17,713.95	\$ 26,439 76
Pig Iron,	2,198.87	3,732 51
Rail road Iron,	7,444.64	11,301 84
Building stone,	2,081.50	1,990 72
Lime,	635.37	953 55
Bituminous Coal,	928.65	1,206 41
Miscellaneous,	60,851.78	130,799 05
Mileage,		16,086 43
Received from Lehigh Valley R. R. Co., for transportation of freight, between Wilkes-Barre and L. & B. Junction,		8,000 00
Totals,	91,854 76	\$200,510 27
Company's Material,	1,742 ¹¹ / ₁₀₀	\$4,109 13

DETAILS OF COAL RECEIVED FROM WYOMING REGION,
FOR YEAR ENDING NOVEMBER 30TH, 1870.

Colliery,	Tons.
Warrior Run, - - - - -	1,090.00
Parrish & Thomas, - - - - -	23.04
New Jersey Coal Co., - - - - -	5.00
Franklin Coal Co., - - - - -	1,301.15
Mineral Spring, - - - - -	1,067.18
Hillman & Sons, - - - - -	1,948.10
Wyoming Coal and Transportation Co., - - - - -	8,208.10
Henry Colliery, - - - - -	4,522.05
Enterprise, - - - - -	20,640.19
Burroughs, - - - - -	9,567.05
Tompkins, - - - - -	18,459.13
Maryland, - - - - -	12,584.16
Butler, - - - - -	70,247.05
Seneca, - - - - -	24.13
Beaver, - - - - -	268.18
Rockhill, - - - - -	3,610.06
Turnshaft, - - - - -	32,393.02
Rough & Ready, - - - - -	844.08
W. B. Coal and Iron Co., - - - - -	7,152.19
Harvey Bro's, - - - - -	267.09
New England, - - - - -	28,687.06
Chauncey, - - - - -	6,566.07
Reynolds, - - - - -	5,412.06
Nottingham, - - - - -	3,251.12
Gaylord, - - - - -	5,099.01
Wyoming Valley, - - - - -	821.10
Morgan, - - - - -	5,072.11
Consumers, - - - - -	214.05
Maltby, - - - - -	4,825.02
Luzerne Coal and Iron Co., - - - - -	14,511.04
Other Shippers, - - - - -	5.00
Total from Wyoming Region, - - - - -	268,696.19

FROM HAZLETON REGION.

Mt. Pleasant, - - - - -	6.02
A. Pardee & Co., - - - - -	3,258.10
East Sugar Loaf, - - - - -	3,366.14
Lattimer, - - - - -	84.16
Ebervale, - - - - -	613.19
Jeddo, - - - - -	113.17
Total from Hazleton Region, - - - - -	7,443.18

FROM BEAVER MEADOW REGION.

Honey Brook Coal Co., - - - - -	10.14
Total from Beaver Meadow Region, - - - - -	10.14

SUMMARY.

	Tons.
Wyoming Region, - - - - -	268,696.19
Hazleton " - - - - -	7,443.18
Beaver Meadow Region, - - - - -	10.14
Grand Total, - - - - -	276,151.11

STATEMENT SHOWING DISTRIBUTION OF ANTHRACITE COAL
RECEIVED DURING THE YEAR ENDING NOVEMBER 30, 1870.

DESTINATION.	Tons.
Falling Springs, - - - - -	5.05
Ransom, - - - - -	16.05
Falls, - - - - -	133.14
Tunkhannock, - - - - -	25,584.03
Vosburg, - - - - -	156.00
Mehoopany, - - - - -	517.13
Meshoppen, - - - - -	1,428.19
Black Walnut, - - - - -	21.01
Skinner's Eddy, - - - - -	423.18
Laceyville, - - - - -	10.13
Wyalusing, - - - - -	546.11
Wysauking, - - - - -	483.00
Towanda, - - - - -	3,287.13
Ulster, - - - - -	80.11
Athens, - - - - -	1,686.03
Through, - - - - -	258,194.04
For Company's use, - - - - -	6,574.38
Total, - - - - -	276,151.11

